

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6199

BILL NUMBER: SB 88

NOTE PREPARED: Jan 31, 2011

BILL AMENDED: Jan 27, 2011

SUBJECT: Various Mental Health Issues.

FIRST AUTHOR: Sen. Lawson C

FIRST SPONSOR:

BILL STATUS: 2nd Reading - 1st House

**FUNDS AFFECTED: X GENERAL
DEDICATED
FEDERAL**

IMPACT: State

Summary of Legislation: (Amended) This bill has the following provisions:

- (1) Renames the Commission on Mental Health to the Commission on Mental Health and Addiction, changes qualifications of certain commission members, removes per diem for lay members of the commission, and extends the commission until June 30, 2016.
- (2) Changes the allocation of federal aid used for drug abuse and alcohol abuse used for local programs.
- (3) Redefines the services provided by community mental health centers and specifies that instead of a continuum of care, services are to be provided.
- (4) Removes the authority of the Division of Mental Health and Addiction (DMHA) to license respite care.
- (5) Changes elements of community-based residential programs.
- (6) Eliminates the duty of DMHA to submit a biennial report to the Governor and the Legislative Council on the evaluation of the continuum of care.
- (7) Makes conforming changes.
- (8) Repeals: (a) respite care for persons with mental illness; (b) listing of elements of community residential programs; (c) Children's Mental Health Bureau; (d) certain placement provisions for community residential facilities; and (e) definitions made obsolete by the bill.

(The introduced version of this bill was prepared by the Commission on Mental Health.)

Effective Date: July 1, 2011.

Explanation of State Expenditures: *Continuum of Care:* By changing the definition of "continuum of care",

state expenditures may change to the extent (1) previously covered services are not included or (2) additional services are included, in a revised definition made by FSSA. Any change in expenditures depends on the decisions of FSSA administrators.

Definition of “Case Management”: This bill changes the definition of “case management” under community care for individuals with mental illnesses. FSSA reports this definition is being removed from statute to allow DMHA the ability to change the definition of case management through the rule promulgation process and will allow DMHA to update this definition based on federal requirements in the Medicaid program and from federal health care reform. DMHA is currently working with providers to define continuum of care and any fiscal impact will depend on the revised definition made through the rule promulgation process. Any fiscal impact is indeterminable at the present time.

DMHA Biennial Report: The bill removes the requirement that DMHA submit a biennial continuum of care report on to the Governor and Legislative Council. This is expected to decrease the workload of the DMHA.

Children’s Mental Health Bureau Repeal: FSSA reports these positions are federally funded and any changes made to the Bureau are expected to have no impact on state expenditures. FSSA also reports federal changes are likely to this program and repealing language regarding the Bureau will allow DMHA more flexibility in responding to these changes.

(Revised) Commission on Mental Health: This bill provides the 13 lay members of the Commission on Mental Health and Addiction (COMH) shall serve without receiving per diem and travel reimbursement. For the 2010 interim, Commission on Mental Health expenditures for lay member per diem and travel reimbursement totaled \$4,550. This bill is expected to decrease state expenditures by about \$4,500 per year.

Additionally, the bill extends the Commission for 5 more years (until June 30, 2016). This bill will result in a continuance of expenditures for legislator per diem and travel reimbursement for that 5-year period. For the 2010 interim, Commission expenditures for legislator per diem and travel reimbursement totaled \$2,200.

(Revised) Provisions That Have No Fiscal Impact:

(1) The bill makes changes to the following: (1) community residential programs, (2) managed care provider, (3) residential facility for the mentally ill, and (4) respite care. The changes in this bill are expected to have no fiscal impact and, as reported by FSSA, are intended to provide either clarification or update terminology.

(2) The bill adds that the Community and Home Options to Institutional Care for the Elderly and Disabled Board is required to establish long-term goals of the state for the provision of continuum of care for the elderly and disabled based on services that promote behavioral health and prevent and treat mental illness and addiction. FSSA reports these services should already be in place.

(3) The bill changes duties of the director of DMHA regarding licensing and certifying residential programs for individuals with serious mental illness (SMI), serious emotional disturbance (SED), and chronic addiction (CA).

(4) The bill changes the name of the Commission on Mental Health to the Commission on Mental Health and Addiction.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: FSSA, Legislative Services Agency.

Local Agencies Affected:

Information Sources: Susie Howard, FSSA; Gina Eckart, DMHA.

Fiscal Analyst: Bill Brumbach, 232-9559.